

SLR:LDM: TYH
F.#: 2011V02366

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

CV 12 -

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U.S. DISTRICT COURT
EASTERN DISTRICT
OF NEW YORK

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UNITED STATES OF AMERICA,

Plaintiff,

VERIFIED COMPLAINT
IN REM

-against-

\$198,902.56 SEIZED FROM BANK OF
AMERICA ACCOUNT NUMBERS
ENDING IN 6580, 6663, 1942, 1966, 1840,
HELD IN THE NAMES OF
US EXPORTS SOLUTIONS, INC.,
CLUB DAHU USA, MERCADO DE
IMPORTS USA, AND SUNBURY
CORPORATION;

TOWNES, J.

Defendants In Rem.

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Plaintiff, the United States of America, by its attorneys, Loretta E. Lynch, United States Attorney for the Eastern District of New York and Tanya Y. Hill, Assistant United States Attorney, alleges upon information and belief as follows:

PRELIMINARY STATEMENT

1. This is a civil action in rem to forfeit and condemn to the use of the United States the above-captioned defendant funds (the "Defendant Funds"), in accordance with: 18 U.S.C. § 981(a)(1)(A), as property involved in a violation of 18 U.S.C. §§ 1956 or 1957, or property traceable to such property; 31 U.S.C. § 5317, as property involved in a violation of 31 U.S.C. § 5324 or property traceable to such property; and/or 21 U.S.C. § 881(a)(6), as moneys, negotiable instruments, securities, or other things of value furnished or intended to be furnished

by any person in exchange for a controlled substance, and all proceeds traceable to such an exchange, or as money used or intended to be used to facilitate any violation of Title 21 of the United States Code, or property traceable thereto.

JURISDICTION AND VENUE

2. This court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1345 and 1355.

3. Venue lies in the Eastern District of New York pursuant to 28 U.S.C. §§ 1355 and 1395.

THE DEFENDANT IN REM

4. The Defendant Funds consists of a total of \$198,902.56, seized pursuant to a warrant executed on December 1, 2011. The accounts (the "Defendant Accounts") are held in the name of US Exports Solutions, Inc. ("US Exports"), Club Dahu USA ("Club Dahu"), Mercado De Imports USA ("Mercado"), and Sunbury Corporation ("Sunbury").

STATUTORY BACKGROUND

5. Pursuant to 18 U.S.C. § 981(a)(1)(A), any property, real or personal, which is involved in a transaction or attempted transaction in violation of federal money laundering laws, 18 U.S.C. §§ 1956 or 1957, and any property traceable thereto, is subject to forfeiture to the United States.

6. Pursuant to 21 U.S.C. § 881(a)(6), all moneys, negotiable instruments, securities, or other things of value furnished or intended to be furnished by any person in exchange for a controlled substance in violation of Title 21 of the United States Code, and all proceeds traceable to such an exchange, or money used or intended to be used to facilitate any violation of Title 21 of the United States Code, is subject to forfeiture to the United States.

7. Pursuant to 31 U.S.C. § 5317(c)(2), any property involved in a violation of 31 U.S.C. § 5324 (structuring), or any conspiracy to commit any such violation, and any property traceable to such property, is subject to forfeiture to the United States.

MONEY LAUNDERING

8. Narcotics traffickers amass large cash proceeds from the sale of narcotics in the United States. The traffickers, or those associated with the traffickers, frequently attempt to give the impression of legitimacy to these profits; i.e., to "launder" them, by making the profits appear to have been generated by a legitimate source. The traffickers must also devise various methods to remit those narcotics proceeds to suppliers of narcotics located in Colombia and other South American countries, which are known source locations of narcotics, without alerting governmental or law enforcement agencies in either country.

9. In order to accomplish this goal, narcotics traffickers frequently utilize domestic and foreign banks and/or financial institutions in order both to make their narcotics profits appear to be from legitimate sources and to move those profits through the financial system into the countries where narcotics are produced.

10. A popular method to launder narcotics proceeds is for narcotics traffickers, through a third party, to "sell" their narcotics proceeds in the United States for pesos in Colombia. This practice, commonly known as the Black Market Peso Exchange ("BMPE"), is centered on a BMPE broker who can bring the drug dollars and the legitimate pesos together.

11. In a common BMPE scheme, a BMPE broker will identify a South American businessperson, who imports goods from places such as the United States, China, or Panama. The BMPE broker will offer the South American businessperson an opportunity to pay the debt owed to the exporter in the foreign country at a significant discount compared to the cost of

making the payment through a South American bank. The South American business person who agrees to this scheme will then turn over the payment for the imported goods in the form of pesos to the BMPE broker who will subsequently contact a Drug Trafficking Organization ("DTO"). When the BMPE broker contacts the DTO, the broker will offer the pesos in South America in exchange for the narcotics proceeds that are located in the United States.

12. The BMPE broker will then arrange to have the narcotics proceeds picked up by a member of the BMPE broker's organization. These money pick-ups will usually occur on a street corner or parking lot between two people who have never met before and will most likely never meet again. These pick-ups frequently involve several hundred thousands of dollars in narcotics proceeds.

13. Following a money pick-up, the BMPE broker arranges to forward those funds to the exporter in the United States to pay the debt of the South American businessperson. This can be accomplished by remitting those funds directly to the exporter, either through money orders or by depositing the narcotics proceeds directly into an account held by the exporter.

BANK SECRECY ACT

14. The first step in laundering and/or transporting narcotics proceeds is to deposit the narcotics proceeds into a bank or financial institution. Once the narcotics proceeds are in a financial institution, they are more easily laundered and transported.

15. The Currency and Foreign Transactions Reporting Act, 31 U.S.C. § 5313 et seq., also known as the Bank Secrecy Act (the "BSA"), is designed to combat money laundering in part by imposing reporting requirements on virtually all transactions involving more than \$10,000 in United States currency. Specifically, pursuant to 31 U.S.C. § 5313(a) and its related regulations, when a domestic financial institution is involved in a transaction for the payment,

receipt, or transfer of U.S. coins or currency ("cash") in an amount greater than \$10,000, the institution shall file a Currency Transaction Report ("CTR") for each cash transaction, such as, by way of example, a deposit, withdrawal, exchange of currency, or other payment or transfer by, through or to a financial institution. CTRs are filed with the Financial Crimes Enforcement Network ("FinCEN") at the Detroit Data Center on forms that require, among other things, the identity of the individual who conducted the transaction and the individual or organization for whom the transaction was completed.

16. Many individuals involved in illegal activities, such as narcotics trafficking and money laundering, are aware of the reporting requirements and take active steps in the attempt to cause financial institutions to fail to file CTRs. These active steps are often referred to as "structuring." They involve making multiple cash deposits or withdrawals in amounts less than \$10,000, but which in the aggregate exceed \$10,000, to multiple banks and/or branches of the same bank on the same day or consecutive days. Structuring is prohibited by 31 U.S.C. § 5324.

17. Often, structuring activity involving the BMPE can occur when multiple individuals deposit currency into the same bank account at the direction of a BMPE broker or other launderer of illicit funds. Frequently these deposits are made in different geographical locations, where the DTO is located, rather than transporting illicit dollars to the location where the exporter is located.

18. Finally, pursuant to 31 U.S.C. § 5331 and related regulations, any trade or business that receives more than \$10,000 in U.S. currency or money orders, in one or more related transactions, is required to collect personal identifying information of the customer, similar to that collected for CTRs, and must file that information on a form filed with the IRS. This form is commonly referred to as "form 8300." Businesses that receive BMPE dollars will

frequently fail to file a form 8300 in an attempt to provide anonymity for their customers and the BMPE broker.

FACTS

19. The Defendant Accounts are held in the name of various corporations all owned and operated by Malcolm J. Campbell (the "Campbell Corporations"). Each of the Campbell Corporations is located in San Diego and has been incorporated in the state of California. Campbell is the sole signatory on the Club Dahu, Mercado, and Sunbury Accounts.

The U.S. Exports Solutions Incorporated Accounts

20. According to documents used to open the U.S. Exports Accounts, U.S. Exports is located at 9865 Marconi Drive, Suite B/C, San Diego, California, 92154.

21. A public records search reveals that the address on file with Bank of America is a commercial building. U.S. Exports does not appear to maintain an internet website and is not listed in the Yellow Pages. Campbell is listed as an officer of U.S. Exports. Patricia Mitre is listed as the signatory on the U.S. Exports Accounts.

22. From May 25, 2011, to August 29, 2011, there were one hundred and eight (108) suspicious cash deposits made into the U.S. Exports Accounts that were indicative of structuring.

23. Specifically, there were numerous and regular cash deposits which were made in individual dollar amounts of between \$4,000 and \$9,970. While there were no cash deposits that exceeded \$10,000, there were numerous instances where deposits made on the same day, or on consecutive business days, aggregated to amounts in excess of \$10,000.

24. The total amount of this structuring was \$923,316.98. **Bold** transactions indicate same or consecutive business day transactions:

<u>Date</u>	<u>Amount</u>	<u>Location</u>	<u>Account</u>
5/25/11	\$9,500.00	Jackson Heights, NY	6580

5/25/11	\$7,500.00	Reading, MA	6663
5/25/11	\$9,700.00	Camarillo, CA	6663
5/26/11	\$8,300.00	Jackson Heights, NY	6580
5/26/11	\$8,000.00	Forest Hills, NY	6663
5/26/11	\$8,700.00	Flushing, NY	6663
5/27/11	\$7,500.00	Flushing, NY	6663
5/27/11	\$9,500.00	Forest Hills, NY	6663
5/27/11	\$7,400.00	Flushing, NY	6580
5/27/11	\$9,300.00	Springfield, NJ	6580
5/31/11	\$8,700.00	Des Plaines, IL	6580
5/31/11	\$9,000.00	Morton Grove, IL	6580
5/31/11	\$8,000.00	Des Plaines, IL	6663
5/31/11	\$9,000.00	Niles, IL	6663
6/1/11	\$9,000.00	Niles, IL	6663
6/1/11	\$9,500.00	Des Plaines, IL	6663
6/1/11	\$8,200.00	Des Plaines, IL	6580
6/1/11	\$9,000.00	Morton Grove, IL	6580
6/2/11	\$8,600.00	Morton Grove, IL	6663
6/2/11	\$9,400.00	Niles, IL	6663
6/2/11	\$8,400.00	Des Plaines, IL	6580
6/2/11	\$9,300.00	Des Plaines, IL	6580
6/6/11	\$8,700.00	Oklahoma City, OK	6663
6/6/11	\$9,600.00	Oklahoma City, OK	6663
6/6/11	\$8,900.00	Oklahoma City, OK	6580
6/6/11	\$9,500.00	Oklahoma City, OK	6580
6/22/11	\$8,000.00	Crofton, MD	6580
6/24/11	\$8,500.00	Jackson Heights, NY	6580
6/24/11	\$9,600.00	Flushing, NY	6580
6/24/11	\$8,700.00	Lakewood, NJ	6663
6/27/11	\$7,900.00	Forest Hills, NY	6580
6/27/11	\$9,200.00	Flushing, NY	6580
6/27/11	\$8,700.00	Jackson Heights, NY	6663
6/27/11	\$9,600.00	Flushing, NY	6663
6/28/11	\$9,500.00	Flushing, NY	6663
6/29/11	\$7,800.00	Jackson Heights, NY	6663

6/29/11	\$8,100.00	Flushing, NY	6663
6/29/11	\$7,300.00	College Point, NY	6580
6/30/11	\$9,100.00	New York, NY	6663
6/30/11	\$9,000.00	New York, NY	6580
7/1/11	\$8,400.00	New York, NY	6663
7/1/11	\$9,000.00	New York, NY	6663
7/1/11	\$8,000.00	New York, NY	6580
7/1/11	\$9,200.00	Escondido, CA	6580
7/5/11	\$7,900.00	Jackson Heights, NY	6580
7/5/11	\$8,100.00	Flushing, NY	6580
7/5/11	\$7,200.00	College Point, NY	6663
7/5/11	\$8,400.00	Flushing, NY	6663
7/11/11	\$8,000.00	Avondale, AZ	6580
7/14/11	\$9,900.00	Chula Vista, CA	6580
7/20/11	\$9,500.00	Oklahoma City, OK	6580
7/20/11	\$9,800.00	Oklahoma City, OK	6580
7/20/11	\$5,000.00	Oklahoma City, OK	6663
7/20/11	\$9,700.00	Oklahoma City, OK	6663
7/20/11	\$9,800.00	Oklahoma City, OK	6663
7/21/11	\$9,800.00	Oklahoma City, OK	6663
7/21/11	\$9,600.00	Oklahoma City, OK	6580
7/21/11	\$9,700.00	Oklahoma City, OK	6580
7/21/11	\$9,800.00	Oklahoma City, OK	6580
7/25/11	\$9,970.70	Oklahoma City, OK	6663
7/25/11	\$9,700.00	Oklahoma City, OK	6580
7/26/11	\$6,500.00	New York, NY	6580
7/27/11	\$9,939.50	Flushing, NY	6663
7/28/11	\$4,000.00	Jackson Heights, NY	6663
7/28/11	\$9,899.00	Astoria, NY	6663
7/28/11	\$9,879.50	New York, NY	6580
7/28/11	\$9,919.00	Flushing, NY	6580
7/29/11	\$9,929.50	Flushing, NY	6663
7/29/11	\$9,959.99	New York, NY	6663
7/29/11	\$9,949.99	Jackson Heights, NY	6580
7/29/11	\$9,960.00	Forest Hills, NY	6580

7/29/11	\$9,979.99	Astoria, NY	6580
8/1/11	\$8,999.99	Jackson Heights, NY	6580
8/1/11	\$9,859.98	Astoria, NY	6580
8/1/11	\$9,939.98	Forest Hills, NY	6580
8/1/11	\$9,839.98	Astoria, NY	6663
8/1/11	\$9,929.98	Flushing, NY	6663
8/2/11	\$9,919.99	Astoria, NY	6580
8/2/11	\$9,779.99	Forest Hills, NY	6663
8/2/11	\$9,899.99	Astoria, NY	6663
8/8/11	\$8,500.00	Howard Beach, NY	6580
8/11/11	\$4,800.00	New York, NY	6580
8/11/11	\$7,720.00	New York, NY	6580
8/11/11	\$7,670.00	New York, NY	6663
8/11/11	\$7,885.00	New York, NY	6663
8/12/11	\$5,600.00	New York, NY	6663
8/12/11	\$5,680.00	New York, NY	6663
8/12/11	\$7,605.00	New York, NY	6663
8/12/11	\$5,750.00	New York, NY	6580
8/12/11	\$7,790.00	New York, NY	6580
8/15/11	\$5,750.00	New York, NY	6580
8/15/11	\$6,245.00	New York, NY	6580
8/15/11	\$6,295.00	New York, NY	6580
8/15/11	\$6,475.00	New York, NY	6580
8/15/11	\$6,600.00	New York, NY	6580
8/15/11	\$6,250.00	New York, NY	6663
8/15/11	\$6,350.00	New York, NY	6663
8/15/11	\$6,420.00	New York, NY	6663
8/15/11	\$7,650.00	New York, NY	6663
8/16/11	\$5,000.00	Altadena, CA	6663
8/17/11	\$9,839.99	Oklahoma City, OK	6663
8/17/11	\$9,879.99	Oklahoma City, OK	6580
8/18/11	\$9,899.99	Edmond, OK	6663
8/18/11	\$9,939.99	Oklahoma City, OK	6663
8/18/11	\$9,959.99	Oklahoma City, OK	6663
8/18/11	\$9,979.99	Oklahoma City, OK	6580

8/22/11	\$9,899.99	Smyrna, TN	6580
8/29/11	\$8,125.00	Glendale, NY	6663

25. Many of these deposits were made on the same day or on consecutive business days, and many of the same day deposits were done at different branches, with total daily deposits equaling or exceeding \$10,000.

26. For example, on July 21, 2011, a \$9,600 cash deposit was made at a Bank of America branch located at 3501 N. MacArthur Street in Oklahoma City, Oklahoma. This was followed by a \$9,700 cash deposit at a Bank of America branch located at N. May Avenue in Oklahoma City, Oklahoma. A third cash deposit of \$9,800 was made at a Bank of America branch located N. May Avenue in Oklahoma City, Oklahoma. The total amount of these four same-day transactions was \$29,100.

27. Additionally, the structuring activity occurred at Bank of America branches located in New York, New Jersey, California, Illinois, Maryland, Oklahoma, Arizona, Massachusetts, and Tennessee. However, there are no indications of U.S. Exports maintaining any places of business or agents outside of California.

28. As discussed above, pursuant to 31 U.S.C. § 5331 and related regulations, any trade or business that receives more than \$10,000 in one or more related transactions, is required to file a form 8300 with the IRS. However, despite the extensive cash deposit activity described above, the investigation has determined that U.S. Exports has not filed form 8300s with the IRS.

The Club Dahu USA Account

29. According to documents used to open the Club Dahu Account, Club Dahu is located at 2745 Paseo de las Americas #1078, San Diego, California 92154. A public records search reveals that the address on file with Bank of America is a commercial building. Club

Dahu does not appear to maintain an internet website and is not listed in the Yellow Pages.

30. From July 27, 2011, to October 12, 2011, there were fifty-one (51) suspicious cash deposits made into the Club Dahu Account that were indicative of structuring.

31. Specifically, there were numerous and regular cash deposits which were made in individual dollar amounts of between \$4,920 and \$9,909.

32. While there were no cash deposits that exceeded \$10,000, there were numerous instances where deposits made on the same day, or on consecutive business days, aggregated to amounts in excess of \$10,000. The total amount of this structuring was \$410,193.30. Bold transactions indicate same or consecutive business day transactions:

<u>Date</u>	<u>Amount</u>	<u>Location</u>	<u>Account</u>
7/27/11	\$9,899.50	Jackson Heights, NY	1942
7/28/11	\$9,859.50	Portage, MI	1942
7/28/11	\$9,939.00	Flushing, NY	1942
7/29/11	\$9,899.50	College Point, NY	1942
8/1/11	\$9,119.98	New York, NY	1942
8/1/11	\$9,909.98	Jackson Heights, NY	1942
8/10/11	\$8,150.00	New York, NY	1942
8/11/11	\$7,620.00	New York, NY	1942
8/12/11	\$5,400.00	New York, NY	1942
8/12/11	\$5,550.00	New York, NY	1942
8/15/11	\$6,100.00	New York, NY	1942
8/15/11	\$6,100.00	New York, NY	1942
8/15/11	\$6,200.00	New York, NY	1942
8/15/11	\$6,200.00	New York, NY	1942
8/15/11	\$6,430.00	New York, NY	1942
8/15/11	\$6,435.00	New York, NY	1942
8/15/11	\$7,350.00	New York, NY	1942
8/16/11	\$6,000.00	Altadena, CA	1942
8/17/11	\$9,899.99	Oklahoma City, OK	1942
8/17/11	\$9,989.99	Oklahoma City, OK	1942
8/18/11	\$8,250.00	Brooklyn, NY	1942
8/18/11	\$9,899.99	Oklahoma City, OK	1942

8/29/11	\$8,125.00	Brooklyn, NY	1942
8/30/11	\$6,625.00	Palmdale, CA	1942
9/12/11	\$9,500.00	Enfield, CT	1942
9/13/11	\$9,500.00	Hartford, CT	1942
9/19/11	\$7,400.00	Philadelphia, PA	1942
9/19/11	\$7,500.00	Merchantville, NJ	1942
9/19/11	\$8,000.00	Fairless Hills, PA	1942
9/19/11	\$8,200.01	Portage, MI	1942
9/19/11	\$9,000.01	Astoria, NY	1942
9/19/11	\$9,500.00	Brooklyn, NY	1942
9/20/11	\$9,000.00	Hartford, CT	1942
9/21/11	\$8,600.00	New York, NY	1942
9/21/11	\$9,000.00	New York, NY	1942
9/21/11	\$9,200.00	New York, NY	1942
9/22/11	\$9,000.00	Hartford, CT	1942
9/23/11	\$5,970.00	New York, NY	1942
9/23/11	\$7,000.00	New York, NY	1942
9/23/11	\$8,000.00	New York, NY	1942
9/23/11	\$9,680.00	Brooklyn, NY	1942
9/26/11	\$7,900.00	New York, NY	1942
9/26/11	\$9,000.00	New York, NY	1942
9/27/11	\$9,000.00	Hartford, CT	1942
9/27/11	\$9,000.00	Jackson Heights, NY	1942
9/28/11	\$9,000.00	Hartford, CT	1942
10/11/11	\$4,920.21	Conshohocken, PA	1942
10/11/11	\$5,900.21	Philadelphia, PA	1942
10/11/11	\$5,930.11	Philadelphia, PA	1942
10/12/11	\$8,240.11	Philadelphia, PA	1942
10/12/11	\$8,300.21	Philadelphia, PA	1942

33. Additionally, the structuring activity occurred at Bank of America branches located in New York, New Jersey, California, Connecticut, Pennsylvania, Oklahoma, and Michigan. However, there are no indications of Club Dahu maintaining any places of business or agents outside of California.

34. As discussed above, pursuant to 31 U.S.C. § 5331 and related regulations,

any trade or business that receives more than \$10,000 in one or more related transactions, is required to file a form 8300 with the IRS. However, despite the extensive cash deposit activity described above, the investigation has determined that Club Dahu has not filed form 8300s with the IRS.

The Mercado De Imports USA Account

35. According to documents used to open the Mercado Account, Mercado is located at 2745 Paseo de las Americas #1078, San Diego, California, 92154. Notably, this is the same address on file for Club Dahu.

36. A public records search reveals that the address on file with Bank of America is a commercial building. Mercado does not appear to maintain an internet website and is not listed in the Yellow Pages.

37. From July 25, 2011, to September 28, 2011, there were forty-two (42) suspicious cash deposits made into the Mercado Account that were indicative of structuring.

38. Specifically, there were numerous and regular cash deposits which were made in individual dollar amounts of between \$5,150 and \$9,949. While there were no cash deposits that exceeded \$10,000, there were numerous instances where deposits made on the same day, or on consecutive business days, aggregated to amounts in excess of \$10,000.

39. The total amount of this structuring was \$340,266.72. **Bold** transactions indicate same or consecutive business day transactions:

<u>Date</u>	<u>Amount</u>	<u>Location</u>	<u>Account</u>
7/25/11	\$9,699.00	Oklahoma City, OK	1966
7/25/11	\$9,859.00	Oklahoma City, OK	1966
7/28/11	\$9,839.50	New York, NY	1966
7/28/11	\$9,899.50	College Point, NY	1966
7/28/11	\$9,949.50	Jackson Heights, NY	1966
7/29/11	\$9,949.99	Portage, MI	1966

8/10/11	\$7,725.00	New York, NY	1966
8/11/11	\$4,620.00	New York, NY	1966
8/12/11	\$5,150.00	New York, NY	1966
8/12/11	\$5,300.00	New York, NY	1966
8/12/11	\$5,700.00	New York, NY	1966
8/12/11	\$7,380.00	New York, NY	1966
8/15/11	\$5,280.00	New York, NY	1966
8/15/11	\$5,750.00	New York, NY	1966
8/15/11	\$5,890.00	New York, NY	1966
8/15/11	\$6,140.00	New York, NY	1966
8/15/11	\$6,470.00	New York, NY	1966
8/16/11	\$6,000.00	Altadena, CA	1966
8/17/11	\$9,799.99	Oklahoma City, OK	1966
8/17/11	\$9,919.99	Oklahoma City, OK	1966
8/18/11	\$8,000.00	Brooklyn, NY	1966
8/18/11	\$9,899.99	Oklahoma City, OK	1966
8/29/11	\$8,125.00	Brooklyn, NY	1966
8/30/11	\$5,920.00	New York, NY	1966
9/8/11	\$9,000.00	Hartford, CT	1966
9/9/11	\$9,000.00	Hartford, CT	1966
9/19/11	\$8,400.25	Fairless Hills, PA	1966
9/19/11	\$8,500.00	College Point, NY	1966
9/19/11	\$8,900.00	Philadelphia, PA	1966
9/19/11	\$9,000.01	College Point, NY	1966
9/19/11	\$9,500.00	Brooklyn, NY	1966
9/20/11	\$9,000.00	Hartford, CT	1966
9/21/11	\$9,400.00	New York, NY	1966
9/22/11	\$8,600.00	New York, NY	1966
9/23/11	\$8,000.00	New York, NY	1966
9/23/11	\$8,000.00	New York, NY	1966
9/23/11	\$9,700.00	Brooklyn, NY	1966
9/26/11	\$8,000.00	New York, NY	1966
9/26/11	\$9,000.00	New York, NY	1966
9/27/11	\$9,000.00	Bristol, CT	1966
9/27/11	\$9,000.00	Bronx, NY	1966
9/28/11	\$8,000.00	Hartford, CT	1966

40. Additionally, the structuring activity occurred at Bank of America branches located in New York, California, Connecticut, Pennsylvania, Oklahoma, and Michigan.

However, there are no indications of Mercado maintaining any places of business or agents outside of California.

41. As discussed above, pursuant to 31 U.S.C. § 5331 and related regulations, any trade or business that receives more than \$10,000 in one or more related transactions, is required to file a form 8300 with the IRS.

42. However, despite the extensive cash deposit activity described above, the investigation has determined that Mercado has not filed form 8300s with the IRS.

The Sunbury Corporation Accounts

43. According to documents used to open the Sunbury Accounts, Sunbury is located at 9866 Marconi Drive Suite C, San Diego, California 92154.¹

44. A public records search reveals that the address on file with Bank of America is a commercial building. Sunbury does not appear to maintain an internet website and is not listed in the Yellow Pages.

45. From February 2, 2011, to August 31, 2011, there were one hundred and fifty-five (155) suspicious cash deposits made into the Sunbury Accounts that were indicative of structuring.

46. Specifically, there were numerous and regular cash deposits which were made in individual dollar amounts of between \$3,500 and \$9,960. While there were only five cash deposits² that exceeded \$10,000, there were numerous instances where deposits made on the same day, or on consecutive business days, aggregated to amounts in excess of \$10,000.

47. The total amount of this structuring was \$1,263,916.40. **Bold** transactions

¹The address on file for Sunbury is virtually identical to the address on file for U.S. Exports, see paragraph 20.

²Because CTRs were filed on these five cash deposits they are not included in the chart below.

indicate same or consecutive business day transactions:

<u>Date</u>	<u>Amount</u>	<u>Location</u>	<u>Account</u>
1/10/11	\$3,500.00	New York, NY	3666
1/10/11	\$5,000.00	New York, NY	3666
1/10/11	\$8,880.00	New York, NY	3666
1/10/11	\$9,000.00	New York, NY	3666
1/10/11	\$9,000.00	New York, NY	3666
1/10/11	\$9,000.00	New York, NY	3666
1/11/11	\$6,820.00	New York, NY	3666
1/11/11	\$7,000.00	New York, NY	3666
1/11/11	\$8,000.00	New York, NY	3666
1/11/11	\$8,020.00	New York, NY	3666
1/11/11	\$8,500.00	New York, NY	3666
1/11/11	\$8,500.00	New York, NY	3666
1/11/11	\$8,500.00	New York, NY	3666
1/12/11	\$8,500.00	New York, NY	3666
3/2/11	\$9,000.00	Chula Vista, CA	3666
3/25/11	\$2,900.00	Dallas, TX	3666
3/25/11	\$4,000.00	Dallas, TX	3666
3/25/11	\$5,000.00	Dallas, TX	3666
4/1/11	\$9,000.00	Hacienda Heights, CA	3666
4/1/11	\$9,000.00	Hacienda Heights, CA	3666
4/5/11	\$4,500.00	Romeoville, IL	3666
4/6/11	\$9,000.00	Romeoville, IL	3666
4/7/11	\$8,900.00	Chula Vista, CA	3666
4/15/11	\$9,200.00	Chula Vista, CA	3666
4/20/11	\$8,450.00	Chula Vista, CA	3666
4/20/11	\$9,650.00	San Diego, CA	3666
4/25/11	\$4,000.00	Chula Vista, CA	3666
4/25/11	\$4,000.00	Chula Vista, CA	3666
4/25/11	\$5,000.00	Bonita, CA	3666
4/25/11	\$5,330.00	San Diego, CA	3666
4/25/11	\$6,000.00	San Ysidro, CA	3666
4/25/11	\$6,000.00	Crofton, MD	3666
4/26/11	\$4,000.00	Chula Vista, CA	3666
4/27/11	\$5,000.00	San Diego, CA	3666
4/27/11	\$6,000.00	Chula Vista, CA	3666
	\$8,500.00	Reading, MA	

5/25/11			3666
5/25/11	\$9,000.00	Flushing, NY	3666
5/25/11	\$9,000.00	Jackson Heights, NY	1840
5/26/11	\$7,500.00	Forest Hills, NY	1840
5/26/11	\$9,000.00	Jackson Heights, NY	1840
5/26/11	\$9,500.00	Flushing, NY	1840
5/26/11	\$8,900.00	Reading, MA	3666
5/26/11	\$9,800.00	Flushing, NY	3666
5/27/11	\$7,500.00	Flushing, NY	1840
5/27/11	\$9,900.00	Reading, MA	1840
5/27/11	\$8,500.00	Jackson Heights, NY	3666
5/27/11	\$9,000.00	Flushing, NY	3666
5/31/11	\$8,300.00	Morton Grove, IL	3666
5/31/11	\$9,000.00	Forest Hills, NY	3666
5/31/11	\$9,500.00	Des Plaines, IL	3666
5/31/11	\$7,900.00	Niles, IL	1840
5/31/11	\$9,300.00	Des Plaines, IL	1840
6/1/11	\$8,600.00	Des Plaines, IL	3666
6/1/11	\$8,500.00	Des Plaines, IL	1840
6/1/11	\$9,800.00	Morton Grove, IL	1840
6/2/11	\$8,700.00	Des Plaines, IL	1840
6/2/11	\$9,600.00	Niles, IL	1840
6/2/11	\$8,300.00	Morton Grove, IL	3666
6/2/11	\$9,700.00	Des Plaines, IL	3666
6/6/11	\$9,000.00	Oklahoma City, OK	3666
6/6/11	\$9,700.00	Oklahoma City, OK	3666
6/6/11	\$8,800.00	Oklahoma City, OK	1840
6/6/11	\$9,800.00	Oklahoma City, OK	1840
6/21/11	\$3,500.00	Schertz, TX	3666
6/24/11	\$8,300.00	Lakewood, NJ	3666
6/24/11	\$9,500.00	Jackson Heights, NY	1840
6/24/11	\$9,700.00	Flushing, NY	1840
6/27/11	\$8,600.00	Flushing, NY	3666
6/27/11	\$9,800.00	Forest Hills, NY	3666
6/27/11	\$8,100.00	Jackson Heights, NY	1840
6/27/11	\$9,300.00	Flushing, NY	1840
6/28/11	\$9,500.00	Flushing, NY	1840
6/29/11	\$7,600.00	Flushing, NY	1840
6/29/11	\$8,400.00	College Point, NY	1840
6/29/11	\$7,700.00	Jackson Heights, NY	3666
6/29/11	\$8,600.00	Flushing, NY	3666

6/30/11	\$9,400.00	New York, NY	3666
7/1/11	\$8,300.00	New York, NY	3666
7/1/11	\$9,500.00	Escondido, CA	3666
7/1/11	\$8,600.00	New York, NY	1840
7/1/11	\$9,100.00	New York, NY	1840
7/5/11	\$7,400.00	Jackson Heights, NY	3666
7/5/11	\$8,300.00	Flushing, NY	3666
7/5/11	\$7,700.00	College Point, NY	1840
7/5/11	\$8,600.00	Flushing, NY	1840
7/7/11	\$8,000.00	Phoenix, AZ	3666
7/11/11	\$8,000.00	Phoenix, AZ	1840
7/14/11	\$9,900.00	Chula Vista, CA	1840
7/14/11	\$9,800.00	Chula Vista, CA	3666
7/20/11	\$7,000.00	Oklahoma City, OK	3666
7/20/11	\$9,000.00	Altadena, CA	3666
7/20/11	\$9,800.00	Oklahoma City, OK	3666
7/20/11	\$7,300.00	Oklahoma City, OK	1840
7/20/11	\$8,000.00	Pasadena, CA	1840
7/20/11	\$9,500.00	Oklahoma City, OK	1840
7/21/11	\$9,780.00	Oklahoma City, OK	1840
7/21/11	\$9,800.00	Oklahoma City, OK	1840
7/21/11	\$9,800.00	Oklahoma City, OK	3666
7/25/11	\$9,915.00	Oklahoma City, OK	3666
7/25/11	\$9,791.00	Oklahoma City, OK	1840
7/26/11	\$6,500.00	Palmdale, CA	1840
7/26/11	\$8,000.00	Dorchester, MA	3666
7/27/11	\$9,879.50	College Point, NY	3666
7/28/11	\$9,919.50	Sausalito, CA	3666
7/28/11	\$9,939.50	Astoria, NY	3666
7/28/11	\$9,840.00	Forest Hills, NY	1840
7/28/11	\$9,959.00	Astoria, NY	1840
7/29/11	\$9,920.00	Flushing, NY	1840
7/29/11	\$9,940.00	Astoria, NY	1840
7/29/11	\$9,980.00	New York, NY	1840
7/29/11	\$9,459.99	Astoria, NY	3666
7/29/11	\$9,939.99	New York, NY	3666
8/1/11	\$9,879.98	Sausalito, CA	3666
8/1/11	\$9,949.98	New York, NY	3666
8/1/11	\$3,300.00	College Point, NY	1840

8/1/11	\$9,900.00	College Point, NY	1840
8/1/11	\$9,930.00	Flushing, NY	1840
8/2/11	\$9,819.99	Flushing, NY	3666
8/2/11	\$9,939.99	Astoria, NY	3666
8/2/11	\$9,840.00	Flushing, NY	1840
8/2/11	\$9,960.00	Jackson Heights, NY	1840
8/5/11	\$8,500.00	Howard Beach, NY	3666
8/5/11	\$8,500.00	Flushing, MY	1840
8/9/11	\$7,500.00	Glendale, NY	3666
8/9/11	\$7,500.00	Ridgewood, NY	1840
8/10/11	\$8,050.00	New York, NY	1840
8/10/11	\$7,850.00	New York, NY	3666
8/11/11	\$4,370.00	New York, NY	3666
8/11/11	\$4,635.00	New York, NY	1840
8/12/11	\$5,550.00	New York, NY	1840
8/12/11	\$5,560.00	New York, NY	1840
8/12/11	\$5,070.00	New York, NY	3666
8/12/11	\$5,200.00	New York, NY	3666
8/12/11	\$5,650.00	New York, NY	3666
8/15/11	\$5,600.00	New York, NY	3666
8/15/11	\$5,800.00	Lancaster, CA	3666
8/15/11	\$6,270.00	New York, NY	3666
8/15/11	\$6,415.00	New York, NY	3666
8/15/11	\$6,530.00	New York, NY	3666
8/15/11	\$7,460.00	New York, NY	3666
8/15/11	\$6,340.00	New York, NY	1840
8/15/11	\$6,525.00	New York, NY	1840
8/15/11	\$7,540.00	New York, NY	1840
8/17/11	\$9,860.00	Oklahoma City, OK	3666
8/17/11	\$9,820.00	Oklahoma City, OK	1840
8/17/11	\$9,940.00	Oklahoma City, OK	1840
8/18/11	\$8,250.00	Brooklyn, NY	1840
8/18/11	\$9,900.00	Oklahoma City, OK	1840
8/18/11	\$9,960.00	Oklahoma City, OK	1840
8/18/11	\$8,250.00	Brooklyn, NY	3666
8/18/11	\$9,899.99	Oklahoma City, OK	3666
8/18/11	\$9,979.99	Oklahoma City, OK	3666
8/22/11	\$9,960.00	Stockton, CA	1840
8/26/11	\$8,125.00	Palmdale, CA	3666

8/29/11 \$8,125.00

Brooklyn, NY

1840

48. Additionally, the structuring activity occurred at Bank of America branches located in New York, California, Texas, Illinois, Maryland, Massachusetts, Oklahoma, New Jersey, and Arizona. However, there are no indications of Sunbury maintaining any places of business or agents outside of California.

49. As discussed above, pursuant to 31 U.S.C. § 5331 and related regulations, any trade or business that receives more than \$10,000 in one or more related transactions, is required to file a form 8300 with the IRS. However, despite the extensive cash deposit activity described above, the investigation has determined that Sunbury has not filed form 8300s with the IRS.

FIRST CLAIM FOR RELIEF
(Property Involved in Money Laundering)

50. Plaintiff repeats the allegations of paragraphs 1 through 49 as if fully set forth herein.

51. The Defendant Funds constitute property involved in money laundering, a violation of 18 U.S.C. §§ 1956 or 1957.

52. As such, the Defendant Funds are subject to forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(A).

SECOND CLAIM FOR RELIEF
(Property Involved in Structuring)

53. Plaintiff repeats the allegations of paragraphs 1 through 49 as if fully set forth herein.

54. The Defendant Funds constitute property involved in structuring, a violation of 31 U.S.C. § 5324.

55. As such, the Defendant Funds are subject to forfeiture to the United States pursuant to 31 U.S.C. § 5317.

THIRD CLAIM FOR RELIEF
(Property Traceable to Sale of Controlled Substance)

56. Plaintiff repeats the allegations of paragraphs 1 through 49 as if fully set forth herein.

57. The Defendant Funds constitute moneys, negotiable instruments, securities, or other things of value furnished or intended to be furnished by any person in exchange for a controlled substance, or proceeds traceable to such an exchange, or money used or intended to be used to facilitate a violation of Title 21 of the United States Code.

58. As such, the Defendant Funds are subject to forfeiture to the United States pursuant to 21 U.S.C. § 881(a)(6).

WHEREFORE, Plaintiff requests that a warrant of this Court be issued for the arrest of the Defendant Funds; that notice of these proceedings be given to all interested persons; that the Defendant Funds be forfeited and condemned to the use of the United States of America; that the Plaintiff be awarded its costs and disbursements in this action and for such other and further relief as this Court deems just and proper.

Dated: Brooklyn, New York
June 11, 2012

LORETTA E. LYNCH
UNITED STATES ATTORNEY
Attorney for Plaintiff
Eastern District of New York
271 Cadman Plaza East
Brooklyn, New York 11201

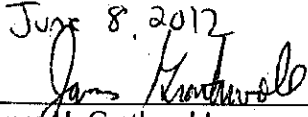
By: 

Tanya Y. Hill
Assistant United States Attorney
(718) 254-6144

VERIFICATION

1. I am a Special Agent with the Department of Homeland Security ("DHS") and, as such, have knowledge of the facts underlying this action.
2. I have read the within verified complaint in rem and know the contents thereof.
3. The matters contained in the within verified complaint in rem are true and accurate to the best of my knowledge, information and belief.
4. The source of my information and the grounds for my belief are my personal knowledge, information provided by other law enforcement officers, and the official files and records of the DHS and other law enforcement agencies.

I, declare under penalty of perjury that the foregoing is true, to the best of my knowledge, information, and belief.

Dated: June 8, 2012


James H. Grathwohl
Special Agent
Department of Homeland Security